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ABSTRACT

The Copyright Clearance Center, Inc. (CCC), which has acted as an intermediary between copyright rightsholders and copyright users for over 20 years, is currently engaged in the centralized, "one-stop shop" licensing of distance education materials to colleges and universities (as well as other centralized licensing services) on behalf of copyright rightsholders. In its December 23 Notice, the Copyright Office set forth a list of questions the answers to which it will use to help it form its recommendations to Congress. This document provides answers to that subset of questions which focus on: the role of licensing when pre-existing content is used in distance education programs using digital technologies; reasons for difficulties in obtaining licenses and skepticism about electronic licensing; the extent to which technology can be used to ameliorate difficulties in licensing; options for making the permissions process easier and the availability of collective or blanket licensing by the CCC; technologies that prepare and disseminate distance education programs; and technologies that protect the security of digital distance education programs. (AEF)

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UNITED STATES COPYRIGHT OFFICE

Docket No. 98-12A

PROMOTION OF DISTANCE EDUCATION
THROUGH DIGITAL TECHNOLOGIES

ED 428 745

WRITTEN COMMENTS OF
COPYRIGHT CLEARANCE CENTER, INC.

February 5, 1999

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I. INTRODUCTION

Copyright Clearance Center, Inc. ("CCC"), submits these written comments in response to the request of the Copyright Office set forth in its Notice published at 63 Fed. Reg. 71167 (December 23, 1998) in connection with its preparation of recommendations to Congress on the Promotion of Distance Education Through Digital Technologies (Docket No. 98-12A). CCC is currently engaged in the centralized ("one-stop shop") licensing of distance education materials to colleges and universities (as well as other centralized licensing services) on behalf of copyright rightsholders and believes that its systems are (i) easy and convenient, (ii) open to all comers, (iii) readily scalable to accommodate rights clearance transactions relating to any type and virtually any number of copyrightable materials, (iv) interoperable with any type of technology that may be used in the transmission, use or security of or payment for rights-and-royalties transactions, and (v) usable both within the current Copyright Act environment and in any new environment that might be developed among the Copyright Office, rightsholders and users and/or established by Congress.

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II. BACKGROUND

CCC was created at the suggestion of Congress in the legislative history of the Copyright Act of 1976, and has been engaged in the licensing of the copyrighted works of others for over twenty years. We have acted as a trusted intermediary between copyright rightsholders and copyright users, making centralized copyright licensing easy and convenient through a variety of different programs offering different levels of rights/uses, user privacy/confidentiality, and different levels of royalties. As a not-for-profit corporation established by a group of authors, publishers and users that had worked with Congress in its revision of the Act, and continuing to this day (uniquely among collecting societies around the world) with representatives on our Board of Directors from the author, publisher and user communities, CCC has created and maintained markets that have served all parties well.

To that end, we opened our doors in 1978 with a simple transactional service – still in use today – by which rightsholders and users can exchange, one-by-one if they choose, permissions and royalties relating to the licensing of photocopying on an as-needed basis (our Transactional Reporting Service or “TRS”). Since that time, in response to requests from our various customers (both rightsholders and users) we have regularly established new licensing services, including (i) repertory licensing for internal corporate use of photocopies (our Annual Authorizations Service or “AAS”, begun in 1983, and our smaller-company service, the Photocopy Authorizations Service or “PAL”, begun in 1995),¹ (ii) coursepack licensing for academic use (our Academic Permissions Service or “APS”, begun in 1991),² and, more recently, various electronic-based services for (iii) use of text within corporations (begun in 1995), (iv) use of photographs in various media by any interested user (our M/RA-Media Image Resource Alliance service, begun in 1996),³ and (v) electronic access to coursepack-type materials in colleges and universities. This most recent (begun in 1997) licensing service for

¹ The AAS was discussed at some length in both the trial court and appellate decisions in American Geophysical Union v. Texaco Inc., 802 F. Supp. 1 (S.D.N.Y. 1992), aff’d, 60 F.3d 913 (2d Cir. 1994), cert. dismissed, 116 S. Ct. 592 (1995).

² The APS was discussed at some length in Princeton University Press v. Michigan Document Servs., Inc., 99 F.3d 1381 (6th Cir. 1996) (en banc), cert. denied, 117 S. Ct. 1336 (1997).

³ Because M/RA involves the simultaneous delivery of both content and rights, it is operated through a separate Website from CCC’s other services, at <www.mira.com>.

electronic-based uses, designed specifically for the distance education market – and which we call our Electronic Course Content Service or “ECCS” – will be discussed at length in the balance of this submission.

The scope and magnitude of CCC’s services have not only broadened over our twenty years of operations, but they have deepened as well. Today we complete approximately 1.5 million individual licensing transactions every year (about 60% for business and 40% for academic institutions and their students), a majority of those transactions being processed through our interactive site on the World Wide Web (www.copyright.com) or through electronic data interchange (EDI). We have also recently expanded our Website to permit on-line registration by authors who choose to participate in our licensing programs, and we are constantly seeking new ways of using electronic facilities to make our services easier to use and more efficient. Outside the transactional realm, we also issue repertory (blanket) photocopy licenses that cover more than ten million U.S. employees of thousands of corporations, not-for-profit entities and government agencies each year. And CCC also exchanges rights and royalties through bilateral contracts with a number of counterpart organizations in other countries (each of them a member of the International Federation of Reproduction Rights Organizations or “IFRRO”), thereby ensuring the availability of licenses for use of U.S. works in other countries and for use of foreign materials in the U.S. As a result of all of these transactional and repertory licenses, and international contracts, CCC will collect about \$67 million in royalties for distribution, after expenses, to participating rightsholders during our current fiscal year.

III. QUESTIONS FROM THE COPYRIGHT OFFICE

In its December 23 Notice, the Copyright Office set forth a list of questions the answers to which it will use to help it form its recommendations to Congress. In the pages that follow, CCC will answer that subset of the questions for which it can offer useful information; for the reader’s convenience, we will introduce each answer with the text of the Copyright Office question to which it responds.

Question 1

2. Role of Licensing

(a) Where pre-existing content is used in distance education programs using digital technologies, to what extent do the persons or entities involved obtain permission for the use of that content? Is this accomplished by direct contact with the copyright owner, or in some other way? To what extent do the parties enter into negotiated licenses, or use form contracts?

CCC began to develop its Electronic Course Content Service ("ECCS") in response to requests that we received from academic users, who were reporting to us the increasing replacement of paper coursepacks with both electronic versions thereof and with what many institutions were referring to as "electronic reserves" (nominally similar to traditional paper reserves – materials left with a library or other depository for students to check out and read or otherwise use). Neither rightsholders nor users were satisfied with the anomalous copyright permissions structure that was struggling to develop – some rightsholders and some users interested in making appropriate arrangements and others not, necessitating long and drawn-out negotiations over idiosyncratic terms and producing decisions not to grant or perhaps even not to seek permissions in some cases.

The initial problems faced by "electronic reserves", though quite similar to the initial problems faced by an earlier generation in the paper coursepack environment, were in stark contrast to the relatively smooth and uniform system that now exist for clearing paper coursepacks. The paper coursepack system had coalesced around a set of processes and expectations that had been created by CCC for coursepack licensing in reaction to conditions during the 1980s that were similar to the current electronic licensing conditions, as well as to the decision in the coursepack case of Basic Books, Inc. v. Kinko's Graphics Corp., 758 F. Supp. 1522 (S.D.N.Y. 1991). Thus, after discussions with various parties and indications of serious interest in participating in a licensing structure specifically similar to CCC's paper coursepack system, CCC invested resources in the development of ECCS, designing terms acceptable to both rightsholders and

users and creating the automated and human systems necessary to support the new service. Combining the parties' needs and CCC's systems, the end result is embodied in the relatively simple document attached hereto as Exhibit A (the ECCS User Agreement) and is managed largely through CCC's Website.

Reflecting CCC's own policies in all its transactional licensing programs, though not commonly done in other countries that have centralized or collective licensing, rightsholders set their own prices in ECCS. Reflecting its roots in the paper coursepack licensing system, the ECCS User Agreement also includes other means of control so important to rightsholders with many markets to manage simultaneously: though subject to some variation by rightsholders, ECCS includes standard limitations on the amount of material that may be used, provides access only to students actually enrolled in the applicable class (through use of a simple password system) and requires removal of the material from access at the end of the applicable term. CCC clears these materials and arranges for invoicing and other back-office support almost entirely through its interactive World Wide Web site (www.copyright.com) and charges service fees, allocated between rightsholder and user, that reflect our marginal cost of handling each transaction.

Similarly to what happened at the initiation of our paper coursepack licensing system in 1991, both rightsholders and users are adopting ECCS gradually. And, also similarly to what happened in 1991, CCC is making every effort to reach potential participants in the service (through materials such as the promotional piece attached hereto as Exhibit B, introducing ECCS to rightsholders). As a result of this work by CCC, and of the good memories of the establishment and growth of the paper coursepack licensing system, the growth curve of ECCS has been far steeper and acceptance by both rightsholders and users seems to be growing much more quickly than it did for the paper coursepack system. Although the concept apparently still seems "too new" to many on both sides of each transaction, although the service may seem slow to users seeking authorization for works not yet included, and although most institutions (both among rightsholders and among users) do not yet have the infrastructure necessary to make most efficient use of ECCS, the number of ECCS user requests, still in the middle of its first full academic year in operation, has surpassed expectations; those rightsholders and users that have

"taken the plunge" are increasing their acceptance of and participation in the service quite rapidly

Finally in answer to this question: although the ECCS User Agreement is a form contract, it was created after consultation with both rightsholders and users and incorporates lessons learned from the long-familiar paper coursepack licensing structure. The document is purposely balanced and for that reason seems to be gaining acceptance. If development of ECCS continues to follow the patterns of the paper coursepack service, CCC's forms and systems will become an industry standard that all rightsholders and users will use and around which others may develop their own. While some individual rightsholders and individual users continue to make bilateral arrangements (none of CCC's licensing programs is ever exclusive), as they do even today, eight years after the establishment of our paper coursepack program, we hope and expect that CCC's programs and services will continue to provide a model around which parties can coalesce. In this way, the relatively small amount of permissions income due to the rightsholder in each transaction does not get eaten up (or the amount of royalties paid by the user does not get unnecessarily compounded) by the infrastructure and systems costs of running a licensing service. It is also important to note that, because CCC acts as an intermediary - as the trading floor of the market, as it were - the ECCS program also does not take a position on issues of fair use, as is true of CCC's other licensing programs as well; instead, like CCC's other programs, ECCS serves to license that which is not fair use, thereby setting aside the issue, in the interest of making licensing work today, of precisely where the sensitive fair use line exists.

Question 2

2. Role of Licensing

(c) Have there been difficulties in obtaining licenses? If so, for what reason(s)? Are the difficulties different in nature or degree than for other types of uses, including traditional education and including multimedia uses generally?

As with all CCC programs, CCC needs to obtain authorization from each individual rightsholder (whether author or publisher) to license each copyrighted work (or portion thereof) on which s/he holds rights, as well as the fees that the rightsholder wishes CCC to charge for each type of use (that is, for each CCC program in which the rightsholder chooses to participate). The difficulty created by this process is no different in either nature or degree than the difficulty attending any new licensing opportunity for a rightsholder (whether in traditional or new media) – decisions have to be made in light of past obligations, other current alternatives and future plans, and it is not uncommon that rightsholders feel that they lack the information necessary to make choices. While CCC does not provide pricing advice, we do make every effort to answer rightsholders' other questions and to address their other concerns. We believe that we have established a track record in our traditional businesses for being practical and helpful and for setting solid standards of customer service, and that we are now seeing that reputation pay off in the early acceptance and steady development of ECCS.

Of course, convincing a critical mass of rightsholders to participate in a new program has always involved a considerable "sales" effort on CCC's part, and this program has been no different. Some rightsholders, as they have done with our earlier programs, find the "paradigm shift" (this time from photocopying to electronic uses) to be too precipitous. In any event, in the meantime we accept requests from users for ECCS permissions relating to material not yet in our repertory and use those requests to convince rightsholders to participate generally or at least to provide more limited authorizations (that is, to approve authorizations on a one-time basis) in anticipation of eventual participation. As is true generally of all businesses associated with new technologies – in the text field, it was once paperback books, later photocopying, and currently the Internet – it is often more difficult to overcome skepticism and technological hostility to providing authorizations in the new environment than it is in the then-"traditional" media.⁴ However, the barriers to electronic licensing seem to be falling relatively quickly (certainly more quickly than was true for our paper coursepack service eight years ago) and, as security issues

⁴ It should be noted that there is still skepticism in some quarters to the notion of providing authorizations for photocopy use even forty years after the commercialization of that technology; though the number has declined steadily over time, we still hear from a few rightsholders that if they refuse to authorize photocopying, then it simply will not happen, and users will buy originals.

are addressed, confidence increases and institutional reluctance among rightsholders gradually declines.

Question 3

2. Role of Licensing

(d) To what extent can technology be used now or in the future to ameliorate any difficulties in licensing? Can it serve to facilitate the identification of rights holders, the clearance of rights and the process of obtaining licenses, including price differentiation based on such attributes as the user's purpose, need, institutional affiliation, or ability to pay?

Technology, combined with a substantial commitment to customer service (because the inevitable limits of technology demand that customer service be readily available to ease the human components of distance education licensing), is at the center of CCC's efforts to make compliance with the Copyright Act as easy and user-friendly as possible.

Almost half of all transactional clearance requests processed by CCC (including paper coursepacks, electronic course content and document delivery licenses) are now handled automatically through CCC Online, the CCC site on the World Wide Web. And a substantial portion of the second half of all requests are handled through electronic data interchange - "EDI" - with our larger customers. When logged onto CCC's Website, users can search our repertory 24 hours a day and seven days a week, make an automated permission request for the material, and either (i) obtain immediate response if the rightsholder has authorized CCC to license the material (or has notified CCC of its intention not to license) or (ii) initiate a CCC process to obtain authorization through our many, longstanding relationships with rightsholders all over the world. The latter CCC process includes contact with the rightsholder, ordinarily within a few hours, and a reply to the user as soon as possible. In the case of non-U.S. works, CCC's bilateral relations with its counterpart organizations throughout the world provide it with large national repertories from many foreign countries and many foreign languages (included in the repertories

included in our Website) and with the means to secure fast special permissions when requests are outside the cope of the standard bilateral agreement; these bilateral relationships and our participation in the International Federation of Reproduction Rights Organisations (known as IFFRO and recognized as an international non-governmental organization by both the United Nations and the World Intellectual Property Organization) have enabled us to expand our services to both rightsholders and users.

CCC Online is not only available to registered customers, but is available to anyone interested in testing the system. By pointing one's Web browser to www.copyright.com and following the instructions included in Exhibit C to this submission, anyone is welcome to see how easy and responsive our ECCS-related systems are; similar "test user" opportunities are also available at the site for our other transactional programs and the substantial similarity among the instructions for using any of our programs also promotes, through familiarity, the utility and adaptability of the proprietary databases and systems that underlie CCC Online. Although the ECCS repertory is still in the early stages of development (as, at one time, were each of CCC's other repertories), a reader may test one of our other programs through CCC Online in order to gain some sense of the millions of works that are contained in some of our databases and of the ways in which we build our systems to keep users from feeling that they are "drowning" in data.

Technology, of course, is a wonderful tool. But, as with any tool, it may take some time to learn how to use it properly and efficiently. And, as with any technological tool, it is usually insufficient by itself to address the many issues, in this case, of licensing in the distance education environment. Thus, CCC has become well-recognized for the ready availability and friendliness of our customer service. CCC's individual representatives are well-trained in (and in many cases helped design) the technology tools CCC offers and are dedicated to different customer groups with the goal of providing complete "one-stop" service, regardless of the customer's question. CCC has twenty years of experience providing this kind of substantial customer service and has built a solid reputation for addressing both general market needs and individual customer concerns. In those twenty years, we have also established relationships with thousands and thousand of rightsholders as well as thousands and thousands of users, both in the academic environment and in other markets. These relationships have helped us build

unmatched databases of copyright information, establish new programs in response to customer requests and increase participation in these programs reasonably quickly – creating broad, functioning markets in the place of sporadic, difficult, one-on-one contacts to accomplish the mutual purposes of both rightsholders and users. Providing this level of customer service, coupled with the extensive technology-based toolkits that we use ourselves and the tools that we make available to our customers, has taken many years of effort. We believe that these services give CCC a substantial competitive advantage while improving customer acceptance of copyright and copyright licensing generally.

Question 4

2. Role of Licensing

(e) What other options exist for making the permissions process easier? How likely is the development of collective or blanket licensing, or "one-stop shops," and within what time frame?

Collective licensing in the distance education marketplace through a "one-stop shop" exists now – through CCC, the first and largest collective licensing organization in the world specializing in automated transactional licensing with individual rightsholder pricing. CCC also operates a substantial blanket licensing program for internal corporate photocopying – the largest blanket licensing system in the world outside the music field – and it does not rely on statutory structures or compulsory licensing. And, as soon as parties on both sides of the academic market express interest in developing an appropriate blanket license for that market, CCC is certain that we will be ready and able to adapt our skills and our licensing systems from the corporate environment to the distance education environment quickly and straightforwardly.

CCC's systems in the United States stand alone in the world in offering all rightsholders the options whether or not to participate, in what programs to participate, what works to include, and, in our transactional programs, what price to set for each use – thereby giving rightsholders the ability to use CCC's services as an adjunct to, rather than a required substitute for, their own

in-house, individual licensing services. The entirely voluntary nature of CCC's programs results, however, in what is perceived among some users as the unfortunate circumstance that CCC's repertoires are not 100% complete, denying the user absolute "one-stop shopping". Of course, despite their protestations it appears that neither users nor rightsholders are entirely committed to the notion of "one-stop shopping", even as CCC works ceaselessly toward making it a reality. Instead, many users (as well as many rightsholders) affirmatively choose to enter into direct licensing transactions in the electronic environment, as they do in the paper coursepack environment, rather than taking advantage of CCC's services (or in addition to using CCC's services, none of which requires either rightsholders or users to use us exclusively). Thus, it would appear that the absence to date of a complete "one-stop shop" from the marketplace is not due to the failure of some "invisible hand" or of the will of any individual party on one side of the market - rather, it will take the decisions of many individuals to participate in order to make a "one-stop shop" possible, a possibility toward which CCC continues to work.

Other countries have addressed the difficulty of building a voluntary "one-stop shop" by removing, in one way or another, the rightsholder's freedom to determine whether and how, and for how much, to license his or her works. Thus, statutory compulsory licensing, either complete or partial, exists in some countries (including the Netherlands); "extended collective licensing" (which extends relatively voluntary licensing structures, involuntarily, to foreign rightsholders and other "outsiders" to the structures) exists in other countries (including Sweden and Norway); and forms of umbrella licensing (whereby participation in collective structures is not quite mandatory but is strongly encouraged through statutory limitations on the rights of non-participating rightsholders) exist in yet other countries (including, most recently, Canada). Each of these other systems also sets, or encourages private-sector setting of, uniform terms and prices for licensed uses, regardless of perceived differences in the value of works or variations in their likely demand or use. Despite the advantage of these foreign systems in establishing "one-stop shops" essentially by fiat, the American intellectual property experience, indeed our entire economic experience, suggests that any of these statutory alternatives - which include substantial drawbacks in addition to their identified benefits - is unlikely to develop spontaneously in the United States and would need substantial commitment from interested users and rightsholders, followed by commitment from Congress and the Executive Branch, in order to take root.

However, CCC's systems are expressly designed⁵ to accommodate any licensing or statutory structure that may be developed – in any copyright environment or medium – and would be capable of realizing a viable “one-stop shop” in the United States under such new rightsholder-user arrangements in a matter of a few weeks of programming and human systems development. Should such new arrangements be agreed to by users, rightsholders and the government, CCC stands ready to make them work.

Meanwhile, CCC does not expect that any such major shift in the copyright environment is likely to arise quickly, and so we continue to develop ECCS for the distance education environment, for electronic coursepacks and for electronic reserves. The numbers of participating users and the numbers of their permissions requests are steadily increasing; we continue to develop new enhancements for the program in response to user (and rightsholder) suggestions, and we are actively soliciting increased rightsholder participation. And, as a result, the growth curve we perceive is substantially similar to – but steeper than – the previous growth curve that we managed in the development, in this same marketplace, of our paper coursepack licensing service.

Question 5

3. Use of Technology

(a) What technologies are used to prepare and disseminate digital distance education programs? Are these technologies specifically developed or produced for the distance education programs, or are they generally available?

While it is not CCC's purpose or expertise to design or propose the types of technologies that might answer the Copyright Office's question here, we do believe it appropriate to bring to the Office's attention the fact that our non-text licensing service is already well-established and

⁵ They were so designed in part in order to enable us to offer out-sourced services to collecting societies in other countries.

growing, and is based on technologies that would likely lend themselves to the distance education environment.

MIRA-Media Image Resource Alliance is our name for our all-digital stock photo agency service. Initially representing the members of the Media Photographers Copyright Agency – a group of high-end commercial photographers – and now expanding our repertory to include the works of other photographers and image collections, we license many different kinds of uses of photographs and other images, including publication in books and periodicals, use in promotional and marketing materials, and use in Websites. Our entire repertory is available for viewing by qualified users at our MIRA Website (www.mira.com) and licensing can be accomplished through the interactive tools available there, 24 hours a day and seven days a week. Again, as in our other transactional licensing programs, prices and special terms are set by the individual rightsholders within the program's overall framework and are readily accessible to users; our technology is complemented by extensive, knowledgeable customer service; and we in fact use many of the publicly-available protective devices to ensure that the service functions to the benefit of both rightsholders and users. Once a transaction is completed, delivery of the licensed, high-resolution photograph is accomplished digitally, usually through overnight delivery of a CD-ROM but occasionally (and, we expect, more frequently once worldwide bandwidth problems are resolved) over the Internet.

The MIRA framework was our first entry into the digital delivery of copyrighted material combined with our traditional licensing services. The proprietary technology, databases, and human and machine systems necessary to support MIRA were designed, and since 1997 are now being used, to support our text-based licensing services – specifically including our academic-market services, both ECCS and our paper coursepack service – as well. These structures and systems have already proven to readily lend themselves to the distance education environment and CCC looks forward to applying them more thoroughly – with or without the accompanying delivery of the material itself, as may be decided by rightsholders and users – in that environment.

Question 6

3. Use of Technology

(b) What technologies are available to protect the security of digital distance education programs? In particular, are there technologies in use or under development that can prevent the unauthorized reception, use, or retention of copyrighted materials incorporated into such programs, or that can authenticate materials or protect their integrity? What is the time frame for the availability of such technologies? What parties or entities are developing them, and what type of costs are involved in implementing them?

Based in part on previous observations about the resistance of many customers to technological protections – for example, for practical reasons or privacy concerns – CCC believes that the best protections for copyrighted materials are simple and convenient licensing systems. Simple and convenient licensing also encourages the majority of users who are inclined to be honest, to do so easily, and thereby helps to make copyright compliance commonplace. Thus, the mere existence of CCC's ECCS for use by the academic community is a positive influence on behavior around intellectual property in the digital arena.

That being said, CCC also recognizes the hesitancy of some to agree with that principle. Therefore, CCC also believes that many of the technologies being developed for use on the Internet – driven principally but not exclusively by intellectual property owners' concerns about losing control of their properties while still making them generally available to paying customers – are directly applicable to the distance education environment. Technologies such as secure containers, watermarking, encryption, user authentication and permanent location/identification systems (such as the Digital Object Identifier), while not yet tamper-proof, may be able to offer both rightsholders and users – long used to “analog” environments that could only rely on good faith and voluntary compliance with the law (backed up by enforcement of legal rights) within a framework of rights ownership and certain user privileges – a useful set of tools for building a similar environment for use of copyrighted materials in distance education.

It should be noted, however, that it is also true that the positive aspects of technology also bring with them some perceived drawbacks to which CCC and its services can provide some balance. Some digital technologies concern users for their intrusiveness – not in the sense of obtrusiveness, but in the sense of allowing records to be made of what users are reading. Here again the services that CCC is able to offer make centralized or collective licensing attractive to many users: by allowing aggregation, and where appropriate abstraction, of use information to be made somewhere other than in the hands of a rightsholder or other person interested in using the information for marketing or other purposes, CCC's services afford privacy and confidentiality to a licensing transaction, ensuring appropriate payment to the rightsholder while still not requiring identification of the individual user.

In any event, CCC's own information systems and licensing services are interoperable with all of the technologies mentioned above (and are already using some of them in our MiRA image licensing service), thereby allowing us to add our traditional services of convenience and impartiality (as well as confidentiality and privacy) to whatever systems rightsholders and users may choose to use (and we have so far proven that we can manage the information and royalties produced through any of them, or all of them simultaneously, at no material increase in the cost to participants beyond our existing, modest service fees).

IV. CONCLUSION

In its December 23 Notice, the Copyright Office identified licensing as an important element to any thinking that it will do and any conclusion that it may reach in its recommendations to Congress on how to promote distance education through digital technologies. As demonstrated above, CCC, a not-for-profit entity, has already established a voluntary, flexible, functioning and rapidly growing centralized licensing service – our Electronic Course Content Service – that is providing an operating marketplace and needed facilities to rightsholders and users in the distance education and related environments (including electronic coursepacks and electronic reserves). Underlying it are systems that are interoperable with any technologies and any set of legal rules that may be chosen by participants and/or the government. Finally, modeled, as it is,

on CCC's successful paper coursepack licensing service, and building on our substantial rights management technologies, copyright databases and customer service capabilities, ECCS demonstrates that licensing in these environments is not only possible (and desirable to both rightsholders and users), but is already in place.

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